

## INSTRUCTIONS FOR SELECTION OF OPTIONAL SETTLEMENT

1. A LUMP SUM SETTLEMENT is not available when the insured selected a monthly installment option. HOWEVER, if the insured left a will or there is other evidence, in writing, that the insured desired that the beneficiary receive a lump sum, the beneficiary may submit a copy for such consideration. When submitting the above, please sign Item 16 and return. It is not necessary to complete the entire form.

2. If insured selected an option, the beneficiary may abide by the insured's selection or may request settlement in installments.

A. If insured selected Option 1, beneficiary may select Option 1, 2, 3 or 4 or may request part payment under Option 1 and remainder under one of the other options.

B. If insured selected Option 2, beneficiary may request settlement split between two variations of Option 2.

C. If insured selected Option 2, with monthly installments in excess of 120, beneficiary may select to receive payment in a greater number of installments under Option 2, or may elect to receive payment under Option 3 or 4 or may request settlement split between Option 2, as herein limited, and Option 3 or 4.

D. If insured selected Option 2, with monthly installments not in excess of 120, beneficiary may select a greater number of installments under Option 2 or may select Option 4, provided number of installments guaranteed under Option 4 is greater than number of installments selected by insured under Option 2 or may request settlement split between Option 2 and 4, as herein limited.

E. If insured has selected Option 3, beneficiary may select Option 4.

F. If insured has selected Option 4, and named no contingent beneficiary, beneficiary may select Option 3.

G. If beneficiary selects two methods of payment the amount payable under at least one of them must be in multiples of \$1000 and all monthly installments under such selection must be at least \$10. (See instruction 5)

3. Settlement under Option 4 is not authorized when payments would be made in a shorter period than 120 months.

4. Option 3 and 4 shall not be available if the beneficiary is a firm, corporation, legal entity or trustee. Settlement to estates is authorized only in one sum.

5. If option selected requires payment of installments of less than \$10, the amount payable shall be paid under Option 2 in such maximum number of installments as are a multiple of 12 as will provide a monthly installment of not less than \$10. If present value at time any person initially becomes entitled to payment thereof is not sufficient to pay at least twelve monthly installments of not less than \$10 each, such amount shall be payable in one sum.

6. If the insured selected Option 1 and the beneficiary has elected payment under Option 2, 3 or 4 and dies before receiving all installments due, the commuted (cash) value of the remaining unpaid installments guaranteed will be paid to the ESTATE OF THE BENEFICIARY. If the insured designated Option 2, 3 or 4 and all beneficiaries die before receiving all installments due, the commuted value of the remaining installments guaranteed will be paid to the ESTATE OF THE INSURED.

Submit completed claim form to the VA office that maintains the insured's records. The addresses are:

Department of Veterans Affairs  
Regional Office and Insurance Center  
P. O. Box 7208  
Philadelphia, PA 19101

Department of Veterans Affairs  
Regional Office and Insurance Center  
Federal Building, Fort Snelling  
St. Paul, MN 55111